

Surplus Property and Storage Operations

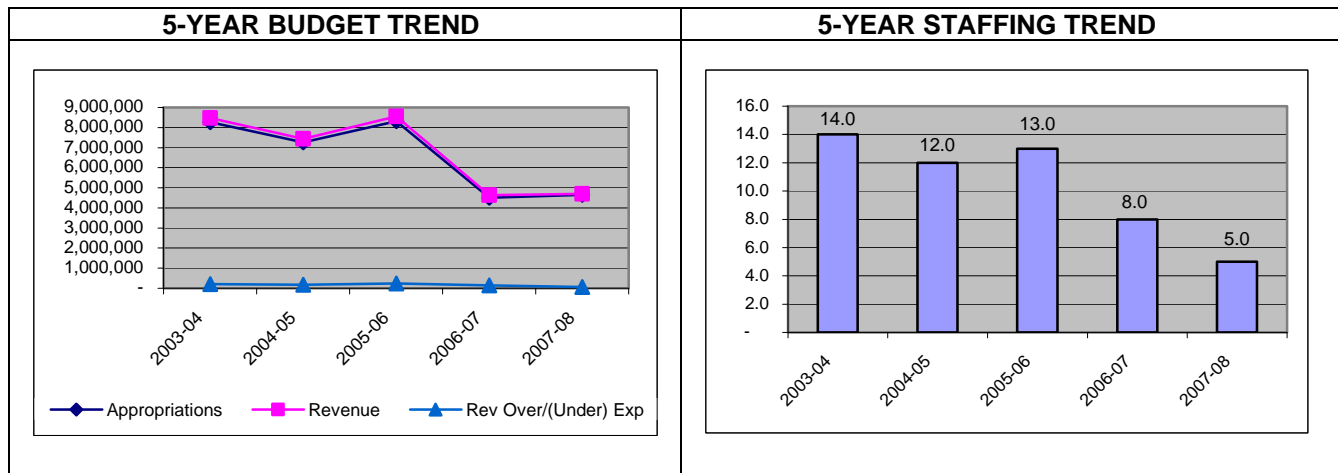
DESCRIPTION OF MAJOR SERVICES

Surplus Property and Storage Operations maintains the surplus property pool, serves as a storage facility for county departments, administers the Office Depot Next Day Desktop Delivery Program, and administers the printer cartridges recycling program. The Office Depot Next Day Desktop Delivery Program enables departments to order all their office supplies on-line through Office Depot's website, and receive delivery of their order within 24 hours (within greater San Bernardino area). The top 300 office products used by the county departments receive special "net" pricing, which can be up to 57% off the catalog price. The division strives to accurately inventory and fairly distribute surplus property to interested county departments, community-based organizations, and the general public.

During 2006-07, Central Stores was phased out and the county transitioned into a "Just in Time" procurement system. In this budget year, Surplus Property and Storage Operations will move to a barcode system that will enable the tracking of all surplus property that is turned in and issued out. In addition, Surplus Property and Storage Operations will be beginning to market surplus property on Countyline for county departments and hold public auctions on the internet for the general public.

The Purchasing – Surplus Property and Storage Operations Division budget unit is an Internal Service Fund (ISF). All operational costs of this program are distributed to user departments through user rates. As an ISF, any unrestricted net assets available at the end of a fiscal year are carried over to the next fiscal year and are used for working capital and for replacement of fixed assets. Any excess or shortage is incorporated into the rate structure.

BUDGET HISTORY



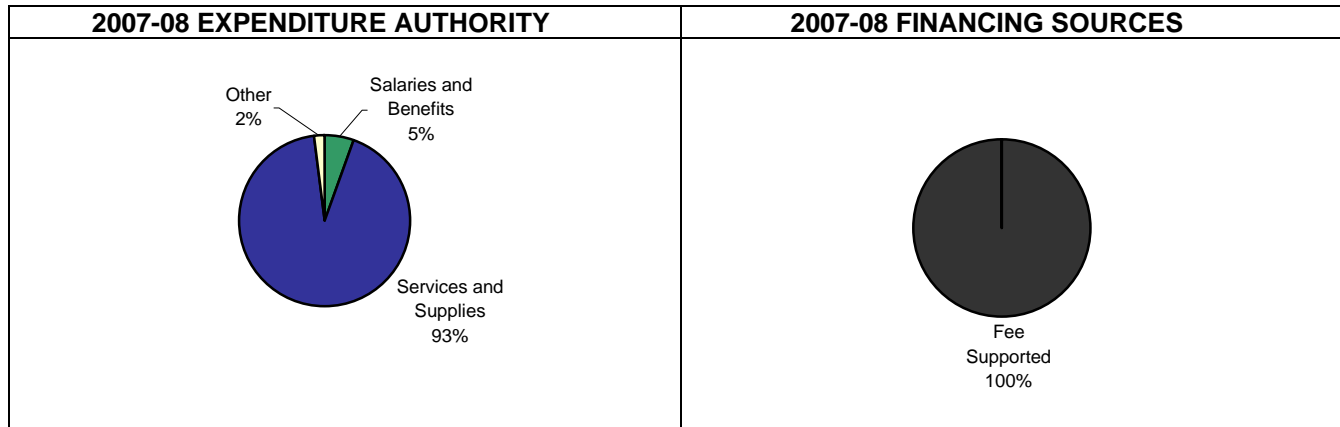
PERFORMANCE HISTORY

	2003-04 Actual	2004-05 Actual	2005-06 Actual	2006-07 Modified Budget	2006-07 Actual
Appropriation	8,013,104	8,636,892	8,776,583	4,500,088	5,227,686
Departmental Revenue	7,703,050	8,929,050	8,884,935	4,637,023	5,233,616
Revenue Over/(Under) Exp	(310,054)	292,158	108,352	136,935	5,930
Budgeted Staffing				8.0	
Fixed Assets	-	-	4,412	-	-
Unrestricted Net Assets Available at Year End	107,208	224,000	220,820		225,529

The 2006-07 actuals are greater than the budgeted amounts primarily due to an increase in services and supplies. This increase is a result of the increase in department orders through the Office Depot Desktop Next Day Delivery Program. The closure of Central Stores in September of 2006 contributed to the increase by allowing departments who ordered supplies from Central Stores to utilize Office Depot as their vendor of choice for many products. Departmental revenue increased as the result of the increase in Office Depot orders.



ANALYSIS OF FINAL BUDGET



GROUP: Administrative/Executive
DEPARTMENT: Purchasing
FUND: Surplus Property and Storage Operations

BUDGET UNIT: IAV PUR
FUNCTION: General
ACTIVITY: Surplus and Storage

	2003-04 Actual	2004-05 Actual	2005-06 Actual	2006-07 Actual	2006-07 Final Budget	2007-08 Final Budget	Change From 2006-07 Final Budget
Appropriation							
Salaries and Benefits	509,318	521,745	417,411	265,356	385,981	252,565	(133,416)
Services and Supplies	7,369,451	7,991,863	8,199,765	4,903,934	3,971,919	4,284,281	312,362
Central Computer	9,358	14,124	14,354	9,873	14,494	12,760	(1,734)
Transfers	124,977	109,160	145,053	48,523	123,600	92,489	(31,111)
Total Appropriation	8,013,104	8,636,892	8,776,583	5,227,686	4,495,994	4,642,095	146,101
Depreciation	-	-	-	-	4,094	3,026	(1,068)
Total Requirements	8,013,104	8,636,892	8,776,583	5,227,686	4,500,088	4,645,121	145,033
Departmental Revenue							
Current Services	7,703,050	8,925,285	8,884,935	5,232,395	4,637,023	4,706,000	68,977
Other Revenue	-	3,765	-	-	-	-	-
Other Financing Sources	-	-	-	1,221	-	-	-
Total Revenue	7,703,050	8,929,050	8,884,935	5,233,616	4,637,023	4,706,000	68,977
Rev Over/(Under) Exp	(310,054)	292,158	108,352	5,930	136,935	60,879	(76,056)
Budgeted Staffing					8.0	5.0	(3.0)
Fixed Assets							
Equipment	-	-	4,412	-	-	-	-
Total Fixed Assets	-	-	4,412	-	-	-	-

Salaries and benefits of \$252,565 fund 5.0 positions and are decreasing by \$133,416 due to the reduction of 3.0 positions from 2006-07, thus continuing the consolidation of services and increased efficiencies within surplus property and storage operations. The department is requesting the reclassification of 1.0 Stores Specialist to 1.0 Stores Supervisor at the same pay range. The reclassification will allow customer questions to be answered and decisions made in a timely manner. Other duties will include oversight of programs such as surplus issuance and receiving, recycling and on-line auctions.

Services and supplies of \$4,284,281 include the purchase of office supplies for all county departments through Office Depot, and system development charges. The increase of \$312,362 reflects an anticipated increase in the purchase of office supplies for county departments, and an increase in COWCAP charges.

Transfers of \$92,489 include reimbursement to the Purchasing Department for administrative support, and mandated EH&P charges. The \$31,111 decrease is a result of the termination of reimbursement to Printing Services for one-third of the Printing/Mail Services Manager's salary due to a department reorganization.

Charges for current services of \$4,706,000 include revenue from the Office Depot consolidated billing program, vendor rebates, storage fees, and printer cartridge recycling. The \$68,977 increase in revenue is due to an anticipated increase in demand by user departments for Office Depot supplies in 2007-08.

